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DEPARTMENT OF COMMERCE  
Foreign-Trade Zones Board  
[B-57-2020]

Foreign-Trade Zone (FTZ) 7 – Mayaguez, Puerto Rico;  
Notification of Proposed Production Activity;  
Patheon Puerto Rico, Inc.;  
(Pharmaceutical Products)  
Manatí, Puerto Rico

Patheon Puerto Rico, Inc. (Patheon), submitted a notification of proposed production activity to the FTZ Board for its facility in Manatí, Puerto Rico. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on September 2, 2020.

Patheon already has authority to produce certain pharmaceutical products within Subzone 7L. The current request would add a foreign status material to the scope of authority. Pursuant to 15 CFR 400.14(b), additional FTZ authority would be limited to the specific foreign-status material described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt Patheon from customs duty payments on the foreign-status material used in export production. On its domestic sales, for the foreign-status material noted below, Patheon would be able to choose the duty rates during customs entry procedures that apply to its already authorized finished products (duty-free). Patheon would be able to avoid duty on the foreign-status material which becomes scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The material sourced from abroad is microcrystalline cellulose (duty rate 5.2%). The request indicates that microcrystalline cellulose is subject to duties under Section 301 of the Trade Act of 1974 (Section 301), depending on the country of origin. The applicable Section 301 decisions require subject merchandise to be admitted to FTZs in privileged foreign status (19 CFR 146.41).

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary and sent to: [ftz@trade.gov](mailto:ftz@trade.gov). The closing period for their receipt is **[INSERT DATE 40 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

A copy of the notification will be available for public inspection in the "Reading Room" section of the Board's website, which is accessible via [www.trade.gov/ftz](http://www.trade.gov/ftz).

For further information, contact Christopher Wedderburn at [Chris.Wedderburn@trade.gov](mailto:Chris.Wedderburn@trade.gov) or (202) 482-1963.

Dated: September 9, 2020.

Elizabeth Whiteman,  
Acting Executive Secretary.

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